

13th UIC Sustainability Conference



VIA Rail Canada
GRI G4 Sustainability Reporting

Challenges for the Rail Sector

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Who We Are



VIA Rail operates Canada's national passenger rail service on behalf of the Government of Canada.

1885



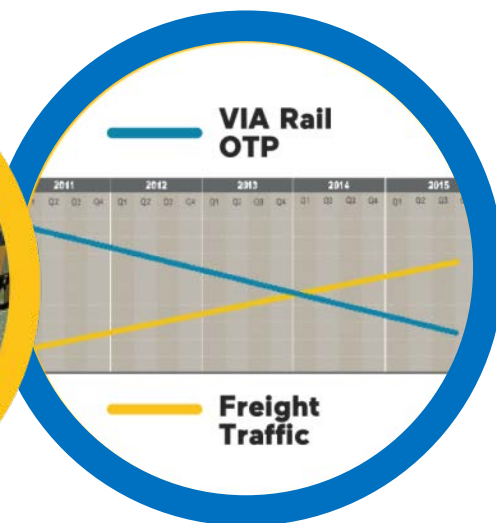
1919



1977



CURRENT
IMPACT



What We Stand For



■ Inter-City Travel
■ Long-Distance
■ Regional

RAIL NETWORK

12,500 km



of which 98% is owned by railway partners (primarily CN and CP) and 2% by VIA Rail

Mandate: Provide a safe, cost-effective and environmentally responsible service from coast to coast in both official languages

Mission: To be the smarter way to move people

Services: Inter-city, long-distance and regional services to meet essential transportation needs in Canada



Our business in Numbers



Our key assets reflect the breadth of our business, from the employees who work for us, the passengers we serve, the locomotives and train cars we operate and the buildings we occupy

ACTIVE EMPLOYEES AS OF THE END
OF THE CALENDAR YEAR

2,577



PASSENGER TRIPS

3.8 million



TRAIN CARS (IN SERVICE)

444



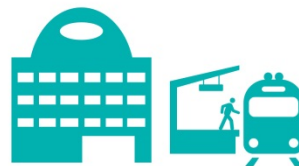
LOCOMOTIVES

73



TRAIN STATIONS

121



OFFICES

7



MAINTENANCE
CENTRES

4



of which 71% have been rebuilt for improved operational and environmental efficiency

of which 54 are heritage stations

1 head office, 6 regional

state-of-the-art facilities



Reporting Evolution



Until 2015,
sustainability content
was part of our
Annual Report

In 2016, we
developed our first
stand-alone
sustainability report
aligned with the GRI



**MAKING
SUSTAINABLE
MOBILITY
REAL**

Yves Desjardins-Siciliano

YVES DESJARDINS-SICILIANO
President and Chief Executive Officer





Key Drivers



Strong International Focus: UIC Commitments broadened our need to align with international reporting standards

Sustainable Mobility Agenda: Prompted the need for a stand-alone report to demonstrate how we were « Making it Real »

Performance Approach: The need to demonstrate our progress and approach to continuous improvement



Our Approach



Step 1: Setting the Sustainability Context

Rail peer reviews
Stakeholder insights
from the Railway
Association of Canada
GRI G4 rail sector
guidelines

Step 2: Engaging Internal Stakeholders

Department heads and
team
Understanding of
important topics and
key initiatives underway

Step 3: Defining Material Topics of Focus

Moved from 4 to 6
strategic pillars
Gained clarity on key
topics to create both
business and societal
value



Reporting Focus






Six Pillars




- Provide the best customer experience
- Support socio-economic development
- Operate safely and efficiently
- Reduce our impact on the environment
- Be an employer of choice
- Maintain the public trust



2020 Sustainable Mobility Strategy



PILLAR	PRIORITY	2020 OBJECTIVES
 PROVIDE THE BEST CUSTOMER EXPERIENCE	Accessibility and Affordability	<ul style="list-style-type: none"> • Offer incentives that promote the environmental benefits of passenger rail
	Sustainable Modes of Travel	<ul style="list-style-type: none"> • Formalize sustainable mobility design criteria for new and existing stations
	Inter-modality Partnerships	<ul style="list-style-type: none"> • Increase partnerships to foster inter-modality and integrate sustainability in the sales strategy
	Fiscal Responsibility	<ul style="list-style-type: none"> • Integrate sustainable mobility into departmental and individual objectives
 SUPPORT SOCIO-ECONOMIC DEVELOPMENT	Value for Money	<ul style="list-style-type: none"> • Formalize sustainability criteria into financial decisions and measure impacts of strategic investments
	Community Investment	<ul style="list-style-type: none"> • Enhance our community strategy to align with our Sustainable Mobility goals and measure impacts
 OPERATE SAFELY AND EFFICIENTLY	Railway Safety Culture and Management	<ul style="list-style-type: none"> • Measure our safety culture and identify improvements
	Safety Performance	<ul style="list-style-type: none"> • Reduce train incidents and injury ratios to below industry averages
	Public Outreach	<ul style="list-style-type: none"> • Continue to reach communities on VIA Rail's safety initiatives to promote railway safety near railroads

PILLAR	PRIORITY	2020 OBJECTIVES
 REDUCE OUR IMPACT ON THE ENVIRONMENT	Environmental Benefits of Rail	<ul style="list-style-type: none"> • Promote VIA Rail as the smarter, greener travel choice with schools, businesses and government organizations
	Climate Change Mitigation and Adaptation	<ul style="list-style-type: none"> • Reduce our GHG emissions by 20% by 2020 and 30% by 2030 when compared to 2005 • Develop a climate risks and response plan
	Waste Management	<ul style="list-style-type: none"> • Divert 10% of our waste from landfills
	Sustainable Procurement	<ul style="list-style-type: none"> • Develop and implement Green Procurement Guidelines
 BE AN EMPLOYER OF CHOICE	Attract and Develop Talent	<ul style="list-style-type: none"> • Increase the internal and external talent pool • Expand the VIA Rail Leadership School to all management and integrate sustainability content into training programs
	Diversity and Inclusion	<ul style="list-style-type: none"> • Increase gender diversity to 30% for management positions • Develop an Aboriginal People strategy
	Health and Well-being	<ul style="list-style-type: none"> • Implement five new initiatives related to the National Standards on Psychological Health in the Workplace Program
	Employee Engagement	<ul style="list-style-type: none"> • Strive for a 75% engagement score
	Core Values and Ethical Conduct	<ul style="list-style-type: none"> • Integrate a values-based culture in all aspects of the business, through training and communication programs
	Transparency and Communication	<ul style="list-style-type: none"> • Develop a stakeholder engagement and community consultation strategy • Establish an external advisory panel to act as a sounding board on our 2020 Sustainable Mobility Strategy
 MAINTAIN THE PUBLIC TRUST		





Challenges



Stakeholder Engagement: External engagement is an ongoing priority. First year focus was mainly on internal stakeholders.

Data Collection: Compiling quantitative data requires robust data systems to ensure the integrity of information reported.

Implementation: Development of a realistic and feasible action plan to support the 2020 sustainable mobility strategy that integrates with the corporate strategy.





Next Steps



Governance Structure: We are establishing a governance structure to ensure the realization of our 2020 sustainable mobility strategy

Implementation Plan: Engaging internal stakeholders on initiatives to support the strategy and execute our objectives

Performance Reporting: Establishing relevant key performance indicators to drive a performance culture across the organization

